

Canadian Cottons Limited

MONTREAL, CANADA

SEVENTH ANNUAL REPORT FOR YEAR ENDING 31st MARCH, 1917

PRESENTED TO THE SHAREHOLDERS
AT THE ANNUAL MEETING OF THE COMPANY
HELD AT MONTREAL, THE 18th MAY, 1917

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W. J. MORRICE

A. O. DAWSON, *Managing Director*

A. BRUCE, *Secretary-Treasurer*

Canadian Cottons

Limited

TO THE SHAREHOLDERS:

YOUR Directors herewith beg to present their Seventh Annual Report for the fiscal year ending March 31st, 1917.

There has been a ready market for all the goods that your various mills have been able to produce with the labor available.

The current year has been a perplexing one owing to the violent fluctuations that were constantly occurring in the price of raw cotton, and also the abnormally high prices prevailing for mill supplies.

The constantly increasing cost of labor has to some extent been absorbed by the benefit accruing to the Company from the improved machinery that has been installed from year to year, and which is operated in a highly efficient manner by skilled help.

The outlook for the coming year is encouraging, and the supply of dyestuffs, which has been the cause of some anxiety in the past, is showing steady signs of improvement.

After making the usual allowance for depreciation, the Manufacturing Profits and Rentals amount to \$792,832.70, as compared with \$716,548.73 last year.

Bond Interest and Dividends on Preferred and Common Stocks were paid, amounting to \$538,010.00

Business Profits War Tax, amounting to \$26,574.19, was paid to the Dominion Government, and \$10,000.00 was added to the Reserve for bad debts, leaving a balance of \$218,248.51 to carry to the credit of Profit and Loss Account at the close of the year.

Your Directors again wish to record their full appreciation of the loyal and painstaking service rendered to the Company by the staff and employees throughout the year. There has been a willing service that augurs well for the future of the Company.

The death of Mr. David Morrice, one of your Directors, occurred on November 14th, 1916, after a brief illness of but one week. His colleagues realize that in his death they have lost a sincere and valued friend, and the Company has lost a Director who for many years gave in an unstinted way his very best service.

The books and accounts of the Company have been duly audited, and the Auditor's report is submitted herewith.

Respectfully submitted,

CHAS. R. HOSMER,

President.

Canadian Co

MANUFACTUR

FOR YEAR ENDIN

DR.

To Raw Material, Manufacturing Cost, Marketing of Products, Administration, Repairs, Mainte- nance, and Depreciation	- - - -	\$5,001,538.28
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To Balance

Net Profits to Profit and Loss Account	- -	593,272.83
		<u>\$5,594,811.11</u>

PROFIT AND I

FOR YEAR ENDIN

To Bond Interest 5%	- -	\$209,700.00
Four Dividends of $1\frac{1}{2}\%$ each on Preferred Shares	- -	219,690.00
Four Dividends of 1% each on Common Shares	- -	<u>108,620.00</u>
		\$538,010.00
Business Profits War Tax	-	26,574.19
Reserve for Bad Debts	- -	10,000.00
Balance forward	- - -	<u>218,248.51</u>
		<u>\$792,832.70</u>

tons, Limited

ING ACCOUNT

31ST MARCH, 1917

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By Sales - - - - - \$5,719,224.35

Add inventory of Cloth and Cotton in process of
Manufacture, 31st March, 1917 - - - 525,246.96
\$6,244,471.31

Less inventory of Cloth and Process on hand
31st March, 1916 - - - - - 649,660.20
\$5,594,811.11

LOSS ACCOUNT

31ST MARCH, 1917

By Net Manufacturing Profits - - - - - \$593,272.83

By Rentals, Mount Royal Spinning Mill, etc. - 199,559.87
\$792,832.70

Canadian Co

GENERAL

YEAR ENDING

ASSETS

Cash - - - - - \$13,567.94

Open Accounts and Bills Receivable

net cash basis - - - 912,701.58

Inventory of

Cloth - - \$328,585.11

Process and Yarns 196,661.85

Raw Cotton - 481,595.68

Supplies - - 157,010.96

Insurance unearned 45,150.00

1,209,003.60

Total Current Assets \$2,135,273.12

Bonds, available against Liability - 556,000.00

Stocks in other Companies and
advances, including Discount on

Bonds - - - - - 278,800.00

PROPERTIES

Mills, Properties, Plants, Waterpowers, etc. - \$10,811,957.19

\$13,782,030.31

Verified,

ARTHUR H. PLIMSOLL, F.C.A. (Can.), Auditor.

tons, Limited

STATEMENT

31st MARCH, 1917

LIABILITIES

Bank Advances	-	-	-	\$377,106.08	
Open Accounts	-	-	-	320,212.76	
Bond Interest accrued and Dividend payable April 4th	-	-	-	134,577.50	
Bills Payable	-	-	-	159,562.97	
Total Current Liability					\$991,459.31

<u>BONDS</u>	-	-	-	-	5,000,000.00	
Less redeemed	-	-	-	-	250,000.00	
						4,750,000.00

CAPITAL

Preferred Authorized,						
\$4,500,000.00, -	-	-	Issued		3,661,500.00	
Common Authorized,						
\$3,500,000.00, -	-	-	Issued		2,715,500.00	

Reserve for Bad Debts	-	-				65,000.00
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SURPLUS

Balance at Credit of Profit and Loss, 31st March, 1916	-	1,380,322.49				
Balance of Profits to 31st March, 1917			218,248.51			
					1,598,571.00	
						\$13,782,030.31

A. BRUCE, Secretary-Treasurer.

AUDITOR'S REPORT

Montreal, 2nd May, 1917

MESSRS. THE PRESIDENT AND DIRECTORS OF
CANADIAN COTTONS, LIMITED
MONTREAL

Dear Sirs,

I have audited the books and accounts of the Company for the year ending the 31st March, 1917.

The statements comprising: The Manufacturing Account, including provision for the usual depreciation, based in its results upon the certified inventory presented to me; the Profit and Loss Account, charged with Bond Interest, War Tax and Dividends paid; the General Final Statement of assets and liabilities prepared from the books—all certified to by me, are correct exhibits therefrom of the Company's operations for the year and of its position on the 31st March, 1917.

Yours truly,

ARTHUR H. PLIMSOLL,
F.C.A. (Can.)

